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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

20 July 1967

MEMORANDUM FOR THE BOARD

SUBJECT: China's Foreign Policy -- Who is in charge?

1. Some useful insights into the current conduct of foreign affairs in Peking are contained in an article in Peoples Daily's of 13 July. The authors of the article are described by NCNA as "two red diplomatic fighters". Both had served in Indonesia in the regular Chinese diplomatic service but are now in Peking where they are "members of the revolutionary rebel liaison station of the Ministry of Foreign Affairs".

2. The article itself is an attack on the film, "A Visit to Indonesia", made during Liu Shao-chi's ceremonial tour in 1963. Liu is attacked for taking the capitalist road and yielding to pressure from imperialism, modern revisionism, and reaction during his stay in Indonesia. More to the point, he failed while in Indonesia to hold high the great red banner of Mao's thought

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or, to mention the brilliant achievements won by the Chinese people. The film shows further that Liu did not attach significance to the anti-imperialist, anti-feudal revolutionary struggle of the Indonesian people. Instead, he lauded the leading representative of Indonesian bourgeoisie and eulogized him in as a "national hero of Indonesia". (In 1963 Sukarno and the Chinese were, of course, having a love-feast.) Liu opposed giving active support to the revolutionary struggles being waged in different countries and even recommended that the revolutionary people give up armed struggle.

3. In concluding the authors affirmed that they are diplomatic fighters loyal to Mao Tse-tung's thought. They express their determination to establish the absolute authority of Chairman Mao's proletarian revolutionary line in all diplomatic work so as to plant the great red banner of the invincible thought of Mao Tse-tung throughout the world.

4. The article could be dismissed as Cultural Revolution rhetoric or as simply another effort in the massive campaign to discredit Liu Shao-chi. But taken together with the actual Chinese conduct of foreign affairs in recent months, it serves further to confirm that the frenzy of Mao worship and the tendency

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to draw a strict line between the loyal followers of Mao and all others now infects the Chinese Foreign Ministry and serves as a guide in the conduct of foreign relations.

5. The Chinese circle of friends among the national bourgeoisie is rapidly contracting -- Sukarno is discredited,

In still

friendly Cambodia, Chinese technicians sent to work on an aid project take frequent breaks to read in unison from the famous selected works. And surely, similar provocations will soon occur in Pakistan.

6. In principle, only those who accept Mao's thought and his guidance are worthy of Chinese friendship and support. The impetus of this xenophobic, mystical adulation of Mao is already leading to articles in the Chinese press quoting North Vietnamese soldiers and civilians as saying Mao is the bright sun in our hearts and only Mao's thought can insure our victory.

7. In the past, the Chinese have been able to combine a good deal of revolutionary propaganda with reasonably restrained and circumspect action where Chinese interests required such an approach. This was particularly true in Hong Kong where China

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earned several hundred millions a year in badly needed hard currency; in Burma which provided China an exit route by air to Southeast Asia, the Middle East and Africa, as well as a demonstration of China's professed policy of peaceful coexistence; and in Vietnam where support of the war weighed more heavily than the urge to make Hanoi line up against the USSR.

8. It is likely that the architects of this flexible policy -- including Chow En-lai and Foreign Minister Chen Yi -- still retain a major influence in foreign affairs. But they are embattled; Chen Yi has been under near constant attack by the Red Guards since last fall, and the existence of a "revolutionary Rebel liaison station" in the Foreign Ministry suggests that the conduct of foreign affairs goes on in an atmosphere of struggle and continuous pressure for radical action.

9. We cannot assess the balance between "revolutionary rebels" and the calmer elements in decision-making process in foreign affairs. The Hong Kong case suggests that an effort was made to satisfy the radical elements by agreeing on limited actions, stopping short of all out support for insurrection in the colony. In the Burmese case, it is too early to tell whether the call for the overthrow of Ne Win and all-out Burmese

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support for armed insurrection will be followed by practical assistance to the Burmese Communist Party.

10. But the overall situation must be viewed as dangerous and unpredictable. Wherever the radicals are permitted to take half a step, as in Hong Kong or Burma, the situation can then acquire its own momentum. Calls for further assistance by the radicals might place those favoring caution in the vulnerable position of not being loyal defenders of Mao's thought. Our standing estimates that the Chinese are less, rather than more likely to indulge in foreign adventures during the Cultural Revolution were soundly based in logic. But the Cultural Revolution is continuing without any apparent end or resolution in sight. Internal disorders appear to mount and Peking itself is the scene of continued strife and confusion. In this condition of near-madness, the ability of sensible Chinese leaders to control the course of events cannot be relied upon with any high degree of confidence.



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